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STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XOXO
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

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E.O. 12958: N/A
TAGS: OPRC KMDR IS

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

Israel Radio quoted David Wurmser, an associate of Vice President Dick Cheney, as saying that contrary to media reports, Cheney did not consider pushing Israel into a military operation in Iran in

order to justify an American attack on Iran. The Jerusalem Post devoted the key article of its weekly magazine to the prospects of nuclear proliferation in the Middle East.

All media reported that during their meeting in Jerusalem on Wednesday, PM Ehud Olmert and PA Chairman [President] Mahmoud Abbas decided that formal negotiations on core issues such as borders, Jerusalem, settlements and refugees would only commence after the Maryland gathering. Yediot quoted a senior Israeli political source as saying that Israelis and Palestinians "have decided to make love like hedgehogs: slowly and cautiously" (i.e. lowering expectations ahead the international meeting). Leading media reported that the joint statement to be formulated ahead of the regional meeting next month may include references to the core issues of the final-status agreement. However, such references would be non-committal, and the statement will deal only with issues that enjoy clear agreement. Ha'aretz quoted Israeli sources as saying that the meeting has been set for November 26. Ha'aretz quoted sources in Jerusalem as saying that the joint statement will be "significant enough but general enough to avoid a blow-up and a crisis." The sources were also quoted as saying: "The parties understood there was no point to pledging that the statement would include agreement on core issues, but that if there were issues on which agreement could be reached, they would be included in the statement." Maariv reported that the PA is threatening to boycott the Annapolis meeting if Israel refuses to discuss the core issues.

The Jerusalem Post reported that Hamas officials told the newspaper on Thursday that Fatah has resorted to "insurgency" tactics in Gaza after failing to organize a popular uprising. The officials told the newspaper that Fatah militiamen were behind a series of bombings that targeted Hamas members and institutions over the past few weeks. Leading media reported that Hamas and Fatah have engaged in secret talks under the auspices of Egypt. Some media said that the

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purpose of those contacts is the establishment of a national unity government. Makor Rishon-Hatzofe reported that Israeli sources reiterated their view that Israel would suspend contact with any Palestinian government negotiating with Hamas.

Yediot reported that over the past few days an upgrade to the Google Earth software has resulted in clear images of Israel's most sensitive sites.

The Jerusalem Post reported that Secretary of State Condoleezza Rice plans to shuttle between Jerusalem and Ramallah starting next week in an effort to narrow the gaps ahead of the conference.

The media reported that on Wednesday two Palestinians were killed in separate IDF strikes in the Gaza Strip. Three Palestinians were injured in the attacks. This morning Israel Radio reported that the IDF killed an armed terrorist in the central Gaza Strip.

Ha'aretz reported that Israel has offered to help rebuild and renovate the Justice, Finance and Health ministries in the PA, and to train Palestinian judges and lawyers. The plan was unveiled at a gathering of donor nations in New York two weeks ago, and will include help from Israel.

Ha'aretz cited the US weekly Aviation Week & Space Technology as writing last week that Israel successfully disrupted Syria's aerial and anti-aircraft defenses using highly advanced technology in its strike on Syria last month. Aviation Week said that Israel employed special technology to blind Syrian radars, to ensure the striking planes were not detected as they flew over Syrian territory. According to the weekly, officials in Iran -- which operates the same aerial defense systems -- are concerned by the failure of the Russian-made radar.

Yediot reported that Iranian President Mahmoud Ahmadinejad called on the Hizbullah leadership to organize protest marches along the border with Israel to mark Yawm Al-Quds (Jerusalem Day) today.

Ha'aretz reported that diplomats involved with the work of the UN delegation to Israel told the newspaper this week that the delegation is severely understaffed and it is unable to properly maintain its influence in the immediate region. According to the

sources, most of the UN activity in Israel and the PA is coordinated with New York.

Major media reported that IAF planes were dispatched in the direction of suspected targets in the vicinity of Eilat, which turned out to be US helicopters whose flight had not been coordinated with Israel.

Ha'aretz reported that a committee headed by a reserve major general will examine the alternative proposed by the Haifa municipality to a military port in the city, according to an agreement reached between Haifa Mayor Yona Yahav and the Defense Ministry.

Ha'aretz reported that its correspondent Akiva Eldar has won the annual Eliav-Sartawi award for Middle Eastern journalism, awarded by Search for Common Ground, an international conflict resolution organization. Eldar received the prize jointly with Salameh Nematt, a Jordanian journalist, for their "Reaching Across the Divide" series, which features correspondence between the two on Middle Eastern issues. "Reaching Across the Divide" is comprised of 10 separate articles, five by Eldar and five by Nematt. The series was published in Ha'aretz, the Palestinian paper Al-Quds and The Baltimore Sun.

Maariv reported that the US administration has decided to cooperate with Israel on the matter of Israelis illegally employed in the US. According to new arrangements, local police in the US would be able to arrest and deport illegal residents. Maariv also reported that the Department of State has officially announced the start of the 2009 Diversity Immigrant Visa Lottery (a.k.a. the Green Card Lottery).

Tzvi Chalamish, Israel's Finance Ministry's lead representative in the US, was quoted as saying in an interview with The Jerusalem Post that long-distance relationships between US-based companies and Israel can work.

The Jerusalem Post reported that the Israeli pharmaceutical company Teva may benefit from the Food and Drug Administration's plan to upgrade its generic drug program.

Ha'aretz reported that most of the US public budget allocated to security in non-profit organizations goes to Jewish organizations. The Jerusalem Post printed a Jewish Telegraphic Agency report that the USG budgets USD 19 million to protect Jewish NGOs.

Ha'aretz led with a report that the GOI has formulated a multi-faceted plan to fight trafficking in women. Under the plan, it will work to prevent foreign women from being sold into prostitution in Israel, reduce prostitution here, and keep Israeli women from being sent abroad to work in the sex industry.

11. Mideast:

Summary:

The independent, left-leaning Ha'aretz editorialized: "The changes in the region and the Palestinian leadership's weakness make it even more difficult to reach a viable agreement. It is clear that the Annapolis meeting will require much more creativity and daring than the previous session at Camp David."

Washington correspondent Shmuel Rosner and diplomatic correspondent Aluf Benn wrote from Washington in Ha'aretz: "The moral and historical foundation of Rice's thought explain her devotion to pushing forward the diplomatic process between Israel and the Palestinians, despite the deep surrounding skepticism.... But her increased interest does not convince the veterans of the diplomatic process."

Security and intelligence affairs commentator Amit Cohen wrote in the popular, pluralist Maariv: "The Palestinian threat [not to attend the Annapolis meeting] constitutes a gamble with the prestige of the US administration, which needs a successful peace conference."

Deputy Managing Editor of the conservative, independent Jerusalem Post and right-wing columnist Caroline B. Glick wrote in The Jerusalem Post and the nationalist, Orthodox Makor Rishon-Hatzofe: "All negotiations should be postponed until after the summit, and the summit should be delayed for weeks, then months, then years. Otherwise, in the name of 'promoting peace,' Rice and her Israeli underlings will foment a new war."

Block Quotes:

II. "From Camp David to Annapolis"

The independent, left-leaning Ha'aretz editorialized (10/5): "The negotiations in the fall of 2007 are being held in a very different political and strategic environment from those of the previous round. First ... every agreement between Prime Minister Ehud Olmert and Palestinian Chairman Mahmoud Abbas will be compared to Clinton's plan, to see who conceded and who gained. Second, building the separation fence fixated in the consciousness of most Israelis the final border with the West Bank.... Third, the Gaza Strip's status has changed entirely.... Fourth, the increased strength of Iran and its allies has changed for the worse the regional balance of power.... For Israel, this is a blessing and a curse.... Fifth, America is no longer as powerful as it was in the Middle East.... Sixth and most important, in Arafat's era the question was whether he really wanted an agreement, but there was no doubt that he was capable of carrying it out. The situation with Abbas and Salam Fayyad is reversed: They mean well, but their power to implement is limited. Any agreement with them would be theoretical, at least until they 'gain more power' and accept security responsibility. All this indicates that Olmert and Abbas's mission is much harder than that of their predecessors Barak and Arafat. Only the final, most serious issues remain open. There is no time left to waste on empty rhetoric. The changes in the region and the Palestinian leadership's weakness make it even more difficult to reach a viable agreement. It is clear that the Annapolis meeting will require much more creativity and daring than the previous session at Camp David."

III. "Condoleezza's Show"

Washington correspondent Shmuel Rosner and diplomatic correspondent Aluf Benn wrote from Washington in Ha'aretz (10/5): "Rice views the end of the Israeli occupation of the territories and the establishment of a Palestinian state as the modern revival of the struggle for civil rights in America.... She views Abu Mazen and Fayyad as the heirs of Martin Luther King -- leaders striving to equality and freedom through dialogue and persuasion, not through bombs and guns. The moral and historical foundation of Rice's thought explain her devotion to pushing forward the diplomatic process between Israel and the Palestinians, despite the deep surrounding skepticism.... But her increased interest does not convince the veterans of the diplomatic process.... They believe she accompanies the process from above ... and is not well-versed in the details.... [In their view] Rice has no 'peace team'.... Her assistant in near eastern affairs, David Welch, is her envoy to the region, but he is responsible over a huge geographical area and cannot devote all his time to 'Israel-Palestine.'"

III. "Abu Mazen's Gamble"

Security and intelligence affairs commentator Amit Cohen wrote in the popular, pluralist Maariv (10/5): "The gaps between the two sides, say the Palestinians, will lead to the failure of the conference. They cast the responsibility on Israel, they direct their threats to Washington, but the great loser from the whole story will be Abu Mazen. For the Palestinian Authority, the worst option is to go to the conference and return empty-handed.... The second option, which Abu Mazen is now brandishing like a sword, is simply not to show up. This way, he will be able to gain, perhaps, five minutes of grace in the face of Hamas's criticism.... Therefore, it should be taken into account that the Palestinian threat constitutes a gamble with the prestige of the US administration, which needs a successful peace conference. Senior

sources in the Palestinian Authority point out that in the last meeting between Abu Mazen and President Bush, the latter said that failure is out of the question. President Bush intends to impose his full weight in order to ensure the success of the conference. This, in any case, is what the Palestinians are gambling on. If the Americans believe that Abu Mazen is not coming, they may pressure Olmert to draft a broader document than he wishes. In the meantime, despite the threats, the joint teams will continue to try to draw up a joint document for the conference. But it is difficult to see how this task can succeed without US pressure. The core issues -- which Israel is not willing to deal with at all, according to the Palestinians -- are still far from resolution. Abu Mazen, for some reason, believes that by the end of November it will be possible to discuss these landmines, and even present a solution for them in principle. If this expectation is a precondition for the participation of the Palestinians in the Annapolis conference, it is difficult to believe that it will indeed take place. On the other hand, it could be understood from the statements of the Palestinian information minister last night that the summit would be attended by more countries than the World Cup. In this situation, the Palestinians may believe that the summit can be held even without them."

IV. "Rice's Rabbit Hole"

Deputy Managing Editor of the conservative, independent Jerusalem Post and right-wing columnist Caroline B. Glick wrote in The Jerusalem Post and the nationalist, Orthodox Makor Rishon-Hatzofe (10/5): "It is manifestly clear that by succumbing to Rice's obsession with summytry, the Olmert government is playing with fire.

It is committing Israel to negotiating positions that deny the country the ability to demand that the Palestinians come to terms with the Jewish state and live at peace with it. And it is rendering strategically suicidal seven-year-old offers the starting point of all negotiations for years to come. On Wednesday, the State Department announced that Rice's conference is being postponed until the end of November to give the parties sufficient time to 'prepare the groundwork' to somehow ensure the summit's success. Also Wednesday, Olmert and Abbas reportedly agreed that the conference would be nothing more than the starting point for future negotiations. It can only be hoped that these approaches will be combined. All negotiations should be postponed until after the summit, and the summit should be delayed for weeks, then months, then years. Otherwise, in the name of 'promoting peace,' Rice and her Israeli underlings will foment a new war."

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